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News Releases and other News Material

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News Releases-

Release No. 0940.93
Robert Feist (202) 720-6789

USDA RELEASES SWEETENER MARKET DATA REPORT FOR SEPTEMBER 1993

WASHINGTON, Nov. 15--The U.S. Department of Agriculture's Commodity Credit Corporation today released its Sweetener Market Data report for September 1993.

Report totals, in short tons (2,000 pounds), include:

- Sept. 1, 1993 beginning sugar stocks - 1,829,834.
- U.S. beet sugar production for September 1993 - 239,332.
- U.S. cane sugar production for September 1993 - 78,117.
- Deliveries for September 1993 - 858,929, including deliveries for domestic human consumption - 837,830.
- Sept. 30, 1993 ending sugar stocks - 1,598,597.

Copies of the Sweetener Market Data report for September 1993 data are available from the Sweeteners Analysis Division, ASCS/USDA, Room 3727-S, P.O. Box 2415, Washington, D.C. 20013; telephone (202) 720-3391; FAX (202) 720-8261.



Release No. 0941.93
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Bob Milton (202) 720-3570

USDA TO HOLD MEETINGS FOR USERS OF ECONOMIC DATA

WASHINGTON, Nov. 15 -- The U.S. Department of Agriculture will hold three public meetings in December and January to solicit comments and suggestions from users of economic reports and data issued by two USDA agencies, Economic Research Service and National Agricultural Statistics Service.

"Meetings are held each year to obtain input on data users' needs and to provide details on survey procedures and analysis of statistical information," said Keith Collins, acting assistant secretary for economics.

He said the meetings will focus on the economic indicators series prepared by ERS, including farm income and costs of production, and economic statistics collected by NASS, notably farm prices, prices indexes and the farm costs and returns survey. Collins said comments on other aspects of ERS and NASS data programs also will be welcome.

The first meeting will be held Thursday, Dec. 2, in Washington, D.C. The other meetings will be held Jan. 5, 1994 in Kansas City, Mo., and Jan. 12, 1994 in Phoenix, Ariz. Anyone needing more information may call (202) 720-3570.

The Dec. 2 meeting will be held in Room 107-A of USDA's Administration Building, 14th Street and Jefferson Drive, SW, from 8:30 a.m. to 4:30 p.m. The meeting will follow USDA's 70th Annual Outlook Conference, Nov. 30 and Dec. 1. The number for Outlook Conference information is (202) 720-3050.



Release No. 0942.93
Kendra Pratt (301) 436-4898
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USDA DECLARES NEW CALEDONIA FREE OF TWO ANIMAL DISEASES

WASHINGTON, Nov. 15 -- The U.S. Department of Agriculture has declared the Pacific island of New Caledonia free of rinderpest and foot-and-mouth disease.

"This regulatory revision eases restrictions on certain meat and dairy products exported from New Caledonia to the United States," said Billy G. Johnson, deputy administrator of veterinary services in USDA's Animal and Plant Health Inspection Service.

New Caledonia, an island territory of France, has its own animal health and veterinary program. USDA officials have determined that the New Caledonia program meets the requirements for separate disease-free status. USDA declared France free of rinderpest and foot-and-mouth disease on July 23, 1993. New Caledonia has never reported an outbreak of either highly communicable disease of ruminant animals.

Johnson said under this revision USDA will no longer restrict the importation of milk, milk products, and most fresh, chilled, and frozen meat products from ruminants in New Caledonia. This revision is not expected to affect existing trade patterns for beef and veal. This final rule will also allow venison to be imported into the United States.

Johnson said that USDA will continue to restrict the importation of live swine and fresh, chilled or frozen pork from the island because of the presence of hog cholera and swine vesicular disease in France. Certain restrictions will also remain on ruminant meat and edible products from New Caledonia because of the presence of bovine spongiform encephalopathy in France.

The final rule was published in the Nov. 4 Federal Register and becomes effective Nov. 19.



Release No. 0943.93
Robert Feist (202) 720-6789

USDA ANNOUNCES 1994 PRICE SUPPORT RATES FOR SOYBEANS AND MINOR OILSEEDS

WASHINGTON, Nov. 15 -- The U.S. Department of Agriculture today announced 1994 national average price support rates of \$4.92 per bushel for soybeans and \$8.70 per hundredweight for minor oilseeds (sunflower seed, canola, rapeseed, safflower, flaxseed and mustard seed).

The soybean and minor oilseed rates are set at the statutory minimum levels because of the agreement reached in enacting the Omnibus Budget Reconciliation Act of 1993 that eliminated the loan origination fee and reduced statutory minimum price support rates.



Release No. 0944.93
Laura Whitaker (202) 690-2796

USDA SEEKS U.S. COMPANIES FOR AGRIBUSINESS MISSION TO HUNGARY

WASHINGTON, Nov. 15 -- The U.S. Department of Agriculture is looking for U.S. participants for a January 24-28 agribusiness opportunity mission to Hungary.

The mission, which is a follow-up to a successful May, 1993 trip, is open to the following agribusiness subsectors: dairy, poultry, pork processing, seed, flour, and feed milling, canned and frozen foods, wholesale and small business categories. Space is limited to no more than ten companies. Areas of interest include equity investment, lease and management of a company with an interest to buy, technology transfer, and import/export trade.

USDA encourages joint partnerships between U.S. and Hungarian entrepreneurs that result in U.S. trade and/or investment in Hungarian agribusiness.

Through established joint ventures and other business linkages with Hungarian companies, American firms can be in a stronger position to gain access to and compete in Eastern European and former Soviet Union markets.

USDA officials are cooperating with an agribusiness consulting firm, Experience, Inc., and the Agency for International Development (AID) in another market-opening program. AID's "Restructuring Agriculture and Agribusiness: Private Sector for Hungary Project" (RAAPS) is a no-cost business exchange and training program to Hungary in March 1994. In order to participate in this program, U.S. companies must make a commitment to work with a specific Hungarian company before departing the United States. USDA's January 24-28 mission is an opportunity for U.S. companies to identify potential partners, and so become eligible to participate in RAAPS.

USDA does not charge a registration fee or administrative costs. Participants are responsible for travel, lodging, and per diem.

U.S. firms interested in participating may call or submit a short letter of intent no later than January 6 to: Maria Nemeth-Ek, USDA, Room 3832A-S, 14th & Independence Avenue, SW, Washington, D.C. 20250-4300. For further information, contact Ms. Nemeth-Ek by FAX (202)690-3982, or telephone (202)690-1983.



Release No. 0945.93

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USDA ADJUSTS 1994 CORN ACREAGE REDUCTION PROGRAM

WASHINGTON, Nov. 15--Secretary of Agriculture Mike Espy today announced that the 1994 corn acreage reduction program will be lowered to zero percent.

The adjustment to the corn acreage reduction program was made because the 1993 corn crop is down 31 per cent from last year and the projected 1993 corn carryover stocks are at the lowest level since 1975. This action was taken in part to help assure feed grain supplies for domestic livestock producers and other users and to have sufficient feed grains for export in 1994.

The Agricultural Act of 1949, as amended, requires that the Secretary announce the feed grain ARP percentage on or before Sept. 30. On Sept. 30 the Secretary announced 1994 feed grain ARP percentages of 5 percent for corn and zero percent for grain sorghum, barley and oats.

The Secretary is also authorized to make adjustments in the 1994 program not later than Nov. 15 if the total supply of feed grains changed significantly after the 1994 ARP percentages were first announced. Since the initial announcement, estimated feed grain supplies for the 1993 crop are down about 8 percent. Secretary Espy determined that the change was sufficient to warrant adjustment in the corn ARP percentage.



Release No. 0946.93

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USDA PROTECTS 17 NEW PLANT VARIETIES

WASHINGTON, Nov. 16 -- The U.S. Department of Agriculture has issued certificates of protection to developers of 17 new varieties of seed-reproduced plants including alfalfa, barley, bean, corn, tall fescue, oat, pea, pepper, sudangrass, wheat and RS wheatgrass.

Kenneth H. Evans, an official with USDA's Agricultural Marketing Service in Washington, D.C., said developers of the new varieties will have the exclusive right to reproduce, sell, import and export their products in the United States for 18 years. Certificates of protection are granted after a review of the breeders' records and claims that each new variety is novel, uniform and stable.

The following varieties have been issued certificates of protection:

- the SW 14 variety of alfalfa, developed by S and W Seed Co., Visalia, Calif.;
- the Rollo variety of barley, developed by Utah Agricultural Experiment Station, Logan, Utah;
- the Max variety of barley, developed by Farmers Marketing Corp., Phoenix, Ariz.;
- the Stander variety of barley, developed by Minnesota Agricultural Experiment Station, St. Paul, Minn.;
- the Flevero variety of garden bean, developed by Asgrow Seed Co., Kalamazoo, Mich.;
- the LH217 variety of corn, developed by Holden's Foundation Seeds Inc., Williamsburg, Iowa;
- the Arriba variety of tall fescue, developed by Pure-Seed Testing Inc. Hubbard, Ore.;
- the Prairie variety of oat, developed by Wisconsin Agricultural Experiment Station, Madison, Wis.;
- the Tyee variety of pea, developed by W. Brotherton Seed Co. Inc., Moses Lake, Wash.;
- the DMC 56-02 variety of pepper, developed by Del Monte Corp., San Francisco, Calif.;
- the WKM III variety of sudangrass, developed by Walter K. Moss, Waco, Texas;
- the INW8841 variety of wheat, developed by Purdue University Agricultural Experiment Station, West Lafayette, Ind.;
- the Voyager variety of wheat, developed by Goertzen Seed Research, Haven, Kan.;
- the 2684 and 2552 varieties of wheat, developed by Pioneer Hi-Bred International Inc., Windfall, Ind.;
- the 822 variety of wheat, developed by MBS Seed Inc., Denton, Texas; and,
- the NewHy variety of RS wheatgrass, developed by the Utah Agricultural Experiment Station, USDA Agricultural Research Service and USDA Soil Conservation Service, Logan, Utah.

The certificates of protection for the Rollo, Max and Stander barley varieties, the Prairie oat variety, the Voyager wheat variety and the NewHy RS wheatgrass variety are being issued for sale by variety name only as a class of certified seed and to conform to the number of generations specified by the owner.

USDA's Agricultural Marketing Service administers the plant variety protection program which provides marketing protection to developers of new and distinctive seed-reproduced plants ranging from farm crops to flowers.



Release No. 0947.93
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ESPY ANNOUNCES MAJOR REFORM IN THE FOREST SERVICE LAW ENFORCEMENT PROGRAM

WASHINGTON, Nov. 16 -- U.S. Secretary of Agriculture Mike Espy announced plans to restructure the law enforcement program at the U.S. Forest Service to ensure investigative credibility and address allegations of interference.

"I have been greatly disturbed by the reports of interference, the use of undocumented workers and other allegations being leveled against the Forest Service," said Espy. "The changes will result in an independent law enforcement organization that will ensure thorough and completely independent investigations, free from real or perceived interference."

The announcement comes after months of hearings and discussions with the Congress, interest groups and citizens, in addition to Forest Service officials and law enforcement personnel.

The changes will mean law enforcement officers and special agents will only report to other law enforcement personnel, and the director of law enforcement will report directly to the Forest Service chief. Under the current system the agents report to the forest supervisor and the regional forester.

Assistant Secretary for Natural Resources and the Environment James R. Lyons said, "The changes underway will help the Forest Service better address the many critical issues now facing the agency. Interference on any level will not be tolerated and this new structure will help ensure the utmost integrity for all investigations."

Other changes being implemented are a conversion of part-time law enforcement officers into full-time positions; increased law enforcement program funding; more training of law enforcement officers and forest supervisors; and better coordination with other law enforcement agencies.

Lyons said he is also planning to organize an independent panel of law enforcement experts from outside the agency to monitor, review and evaluate the success of these changes.



Release No. 0948.93

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ESPY ANNOUNCES REVIEW OF TURKEY INSPECTION SYSTEM

WASHINGTON, Nov. 16 -- Secretary of Agriculture Mike Espy today announced the U.S. Department of Agriculture has completed special reviews of 26 slaughter plants that process 64 percent of the nation's turkey production.

"This is part of our continuing effort to protect the public's health. It reflects this administration's aggressive approach toward increased safety for meat and poultry," said Espy.

The special reviews occurred Oct. 14 through Nov. 5. They were conducted by a team of inspectors established by the secretary earlier this year for the express purpose of reviewing the nation's meat and poultry plants. Espy emphasized the purpose of the special reviews was to ensure that federal inspection regulations are followed.

The latest review involves plants using the New Turkey Inspection System (NTIS). A final report with analysis of review data and the plants involved in the special review will be available in mid December. Included in the report will be problems found at specific plants along with comments and recommendations suggested by inspectors on how to improve the inspection system.

Earlier this year Espy directed the Food Safety and Inspection Service to conduct unannounced special reviews at 90 beef slaughter plants. Operations were temporarily halted at 30 plants and not allowed to resume until problems found by the review teams were corrected.

As part of a nationwide program of meat and poultry inspection reform, Espy also directed the Food Safety and Inspection Service to establish a special unit to conduct reviews and to investigate reports of deficiencies in the 6,300 federally inspected meat and poultry plants throughout the country.

"In many of the 26 turkey plants reviewed, the system was working very well. However, in others, immediate corrective action was taken," said Espy. Problem-solving teams are being established with inspection personnel where needed to address problems of compliance with federal inspection regulations.

As part of the review, the special unit interviewed 128 inspectors during day and night shifts. Inspectors' union representatives sat in on the sessions.

"We believe it is important to include the suggestions and concerns of our front-line inspectors. We will use the data obtained from the review and interviews to improve the effectiveness of the overall system," Espy said.

Under the NTIS, plants submit quality control plans for USDA approval and monitoring by federal inspectors. In addition to the examination of all turkeys, federal inspectors review records and verify them with tests to ensure the participating plants are meeting federal requirements for production control.

The FSIS review teams have the authority to take immediate corrective actions necessary at the time of a review. These corrective actions can result in slowing or stopping the slaughter lines and retaining product at the plant.

Espy said follow-up reviews and investigations will also be conducted to ensure problems are corrected.

FSIS approved the regulations for NTIS quality control programs in 1985. In addition to the 26 plants operating under NTIS, about 65 other turkey plants are inspected with traditional methods.



Release No. 0949.93
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USDA PROPOSES TO ALLOW PLANT IMPORTS THROUGH PORT EVERGLADES

WASHINGTON, Nov. 16 -- The U.S. Department of Agriculture is proposing to allow nursery stock, plants, roots, bulbs, seeds and other plant products to enter the country through Port Everglades at Fort Lauderdale, Fla.

No facilities for inspecting and clearing these restricted articles would be installed at Port Everglades, according to B. Glen Lee, deputy administrator of USDA's Animal and Plant Health Inspection Service. Rather, plant products entering the port would be moved by ground transportation under U.S. Customs bond to Miami for inspection and possible treatment. These arrangements were requested by U.S. importers so that ships berthed at Port Everglades could go there directly with plant cargo, mainly nursery stock, from Central and South America.

Public comments (an original and three copies referring to docket number 93-029-1) on the proposal can be sent until Dec. 27 to Chief, Regulatory Analysis and Development, PPD, APHIS, USDA, 804 Federal Building, Hyattsville, Md. 20782.



Release No. 0950.93
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USDA SEEKS NOMINEES FOR NATIONAL DAIRY BOARD

WASHINGTON, Nov. 16 -- The U.S. Department of Agriculture has asked dairy producers and farm organizations to nominate candidates to serve on the National Dairy Promotion and Research Board.

Secretary of Agriculture Mike Espy will appoint 12 individuals from those nominated to succeed members whose terms expire April 30, 1994. New members will serve 3-year terms beginning May 1, 1994, and ending April 30, 1997.

Regions with members whose terms expire April 30 are: Region 2 (Calif.), Region 3 (Ariz., Colo., Idaho, Mont., Nev., Utah and Wyo.), Region 5 (Minn., N.D. and S.D.), Region 6 (Wis.), Region 7 (Ill., Iowa, Mo. and Neb.), Region 8 (Ala., La., Ky., Tenn. and Miss.), Region 9 (Ind., Mich., Ohio and W.Va.), Region 10, (Fla., Ga., N.C., S.C. and Va.), Region 11 (Del., Md., N.J. and Pa.), and Region 12 (N.Y.).

A proposal to modify the composition of board representation to reflect changes in milk production to be effective May 1, 1994, has been submitted to the department. If approved, the proposed modification to the Dairy Promotion and Research Order would increase the members from Region 4 (Ark., Kan., N.M., Okla. and Texas) by one and decrease the members by one from Region 8. Although no terms expire in Region 4, nominations are being sought from that region to facilitate Secretary Espy's appointment of a member from Region 4 if the proposed change is approved.

Outgoing members from Regions 8 and 10 have served only one 3-year term and thus are eligible for re-nomination, unless in the case of Region 8 the order is changed to provide for one less member. No terms for Regions 1 (Ore. and Wash.) and 13 (Conn., Maine, Mass., N.H. and Vt.) expire in 1994. All milk producers--especially women, minorities and individuals with disabilities--are urged to seek nomination.

The National Dairy Promotion and Research Board was established under the Dairy and Tobacco Adjustment Act of 1983 to develop and administer a coordinated program of promotion, research and nutrition education. The 36-member board is authorized to design programs to strengthen the dairy industry's position in domestic and foreign markets.

The national program is financed by a mandatory 15-cent per hundredweight assessment on all milk marketed commercially by dairy producers in the contiguous 48 states.

Nominations must be submitted by Dec. 10, 1993, to Bonnie O. Tanner, Dairy Division, AMS, USDA, Promotion and Research Staff, Rm. 2734-S, P.O. Box 96456, Washington, D.C. 20090-6456. For more information, contact Tanner at (202) 720-6961.



Release No. 0952.93
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Tom Amontree (202) 720-4623

USDA CHARTS NEW COURSE WITH CHANGE IN LEADERSHIP AT FOREST SERVICE

WASHINGTON, Nov. 17--Today the U.S. Department of Agriculture announced new leadership at the U.S. Forest Service. Jack Ward Thomas, a world renowned wildlife biologist with a long and celebrated career at the agency will take over the helm as the 13th chief of the Forest Service.

Secretary of Agriculture Mike Espy said, "Jack Ward Thomas has the scientific credentials, the dedication, and the professional integrity to guide the agency as we move toward the 21st Century."

According to Assistant Secretary James R. Lyons, "Thomas' strong research background, his demonstrated leadership skills, and his understanding of forest and rangeland ecosystem management principles make him the ideal individual for the job."

Earlier this year President Clinton intrusted Thomas with the important task of leading the Forest Ecosystem Management Assessment Team. Along with his outstanding contribution to the President's Forest Conference he led two other high-level scientific teams on northwestern forest ecosystem management.

"To be asked to serve as Chief of the Forest Service, my professional home for 27 years, is an honor. Our challenge and duty is to ensure that the Forest Service emerges from this period of great change and development to reaffirm its position as the world's finest natural resource management agency," said Jack Ward Thomas.

Thomas holds degrees in wildlife management, wildlife science, and a doctorate in forestry. His professional career spans four decades and includes numerous national honors and awards, such as the Wildlife Society's Aldo Leopold award, the National Fish and Wildlife Foundation's "Chuck" Yeager award, and the USDA Superior Service award, the highest award granted by the Department. Thomas is also an elected Fellow in the Society of American Foresters and an Honorary Member of the Wildlife Society.

Espy also announced that David G. Unger, who has served as acting chief is being named as the new Associate Chief of the Forest Service, second in command to Thomas. "I want to personally thank Dave Unger for the leadership and guidance he provided as acting chief during this time of transition. As Associate Chief Unger will assist in leading the Forest Service to fully implementing its ecological approach to managing the nation's forest and rangeland resources," Espy said.

Before taking on his role as acting chief, Unger was associate deputy chief for National Forest System with emphasis in the area of conservation. He most recently led a national initiative to implement and coordinate efforts to protect endangered fisheries habitat.

Lyons added, "Unger's experience in leadership positions with both the Soil Conservation Service and other agencies at USDA, will help accelerate our efforts to foster a closer working relationship between the Department's premier natural resource agencies."



Release No. 0954.93
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SECRETARY ESPY LAUDS NAFTA'S PASSAGE

WASHINGTON, November 18 -- Secretary of Agriculture Mike Espy today praised the House of Representatives' positive stance and passage of the North American Free Trade Agreement.

"Today marks the start of an historic trading relationship. Putting aside our narrow interests for the greater benefit of all, we have chosen a path of strength and growth through cooperation," said Espy.

"This agreement gives us better access to the growing Mexican market and is expected to create an additional 56,000 jobs for U.S. citizens," said Espy. U.S. agricultural exports to Mexico are expected to reach \$10.1 billion by the year 2008, when the NAFTA is fully implemented. Without the NAFTA, U.S. exports to Mexico are estimated at only \$7.5 billion.

Espy said passage of the agreement assures that free and fair trade will exist between the United States, Mexico and Canada.

The NAFTA will give the United States and, with some exceptions, Canada, preferential access to the Mexican market. This means that by the end of a tariff-elimination period, U.S. products will enter Mexico duty-free, while products of other countries will continue to face tariffs and significant non-tariff barriers to trade.

"The bottom line is that this agreement will establish strong rules to ensure that North American producers are the ones to reap the primary benefits from NAFTA trade preferences," said Espy. "It allows us to face the future with confidence."



Release No. 0957.93

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CORN PRICES REACH FARMER-OWNED RESERVE. STOP STORAGE PAYMENT LEVEL

WASHINGTON, Nov. 19 -- To comply with applicable laws, the U.S. Department of Agriculture today announced that storage payments will be stopped immediately for corn pledged as collateral for Commodity Credit Corporation Farmer-Owned Reserve Loans.

The statute authorizing the reserve requires that whenever the market price for corn is determined to be equal or exceed 95 percent (\$2.61 per bushel) of the corn established (target) price, storage payments shall cease.

A moving five-day average price is determined by CCC each day for corn by adjusting daily major terminal market prices using a monthly adjustment factor.

The nonstorage earning period begins today and will continue until prices have been below the stop storage payment level for more than 90 consecutive days.

Today's announcement will not alter producers' receipt of storage payments earned prior to the announcement. Producers may continue to market corn pledged as collateral for these loans at their discretion. Producers may also continue to place corn in the Farmer-Owned Reserve.



Release No. 0959.93

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Bob Feist (202) 720-6789

USDA ANNOUNCES DAIRY SURPLUS ESTIMATES AT LEVELS TO PREVENT REDUCTION IN FARMERS' MILK PRICES

WASHINGTON, Nov. 19 -- The U.S. Department of Agriculture today announced that no further reduction in milk prices paid to farmers will be necessary. This announcement is based on the estimate of surplus dairy products to be removed from the commercial market during calendar year 1994 being 6.5 billion pounds on a total milk solids basis. Since the surplus is less than 7.0 billion pounds, no additional reduction is required.

For the period, January 1, 1994, through December 31, 1994, USDA estimates that through the milk price support program and the Dairy Export Incentive Program (DEIP), 240 million pounds of surplus butter, 490 million pounds of surplus nonfat dry milk, 60 million pounds of surplus cheese and 45 million pounds of surplus dry whole milk will be removed from the commercial market. The milk equivalents of these removals equate to 6.2 billion pounds on a milkfat basis, 6.7 billion pounds on a nonfat solids basis. The estimated cost of Commodity Credit Corporation purchases of surplus dairy products and the DEIP is \$544 million.

These estimates incorporate the latest information available on milk production and commercial use, feed supplies and prices, and assumes the potential commercial sale and use of bovine somatotropin (rbST).

The Agriculture Act of 1949, as amended, which is the authority for the milk price support program, required USDA to estimate the dairy surplus for the coming calendar year and notify Congress by Nov. 20. The statute mandates that if the estimate exceeds 7.0 billion pounds on a milk equivalent basis, a reduction in milk prices paid to dairy farmers must be collected during the year to cover the costs of purchases over 7.0 billion pounds.



Program Announcements-

Release No. 0951.93

Gene Rosera (202) 720-6734

Charles Hobbs (202) 720-4026

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES, MARKETING CERTIFICATE RATES

WASHINGTON, Nov. 16--Under Secretary of Agriculture Eugene Moos today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

--long grain whole kernels:	11.48 cents per pound
--medium grain whole kernels:	10.76 cents per pound
--short grain whole kernels:	10.67 cents per pound
--broken kernels:	5.74 cents per pound

Based upon these milled rice world market prices, loan deficiency payment (LDP) rates, gains from repaying price support loans at the world market price, and marketing certificate rates are:

	Loan Gain and LDP Rate\$/Cwt.....	Marketing Certificate Rate
--for long grain:	\$0.00	\$0.00
--for medium grain:	\$0.00	\$0.00
--for short grain:	\$0.00	\$0.00

These announced prices and rates are effective today at 3 p.m. EST. The next scheduled price announcement will be made Nov. 23 at 3 p.m. EST.



Release No. 0955.93

Minnie Tom H. Meyer (202) 720-6734

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON

WASHINGTON, Nov. 18 -- Grant Buntrock, executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price or AWP), for Strict Low Middling (SLM) 1-1/16 inch (leaf grade 4, micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through 3:59 p.m. Thursday, Nov. 25. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, Nov. 19 through midnight Thursday, Nov. 25.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. The maximum allowable adjustment is the difference between the USNE price and the NE price.

A further adjustment to this week's calculated AWP may be made in accordance with this provision. The calculated AWP is 79 percent of the 1993 upland cotton base quality loan rate, and the USNE price exceeds the NE price by 2.84 cents per pound. Following are the relevant calculations:

I.	Calculated AWP	41.34 cents per pound
	1993 Base Loan Rate	52.35 cents per pound
	AWP as a Percent of Loan Rate	79
II.	USNE Price	57.90 cents per pound
	NE Price	- 55.06 cents per pound
	Maximum Adjustment Allowed	2.84 cents per pound

Based on a consideration of the U.S. share of world exports, the current level of cotton export sales and cotton export shipments, and other relevant data, no further adjustment to this week's calculated AWP will be made.

The estimated cost associated with transporting U.S. cotton to northern Europe has been revised, increasing from 13.90 to 14.01 cents per pound. The average U.S. spot market location adjustment used to calculate today's announced AWP reflects the revision.

This week's AWP and coarse count adjustment are determined as follows:

Adjusted World Price

NE Price	55.06
Adjustments:	
Avg. U.S. spot market location	11.91
SLM 1-1/16 inch cotton	1.50
Avg. U.S. location	0.31
Sum of Adjustments	- 13.72
Calculated AWP	41.34
Further AWP adjustment	- 0
ADJUSTED WORLD PRICE	41.34 cents/lb.

Coarse Count Adjustment

NE Price	55.06
NE Coarse Count Price	- 52.03
	3.03
Adjustment to SLM 1-1/32 inch cotton	- 3.20
	- 0.17
COARSE COUNT ADJUSTMENT	0 cents/lb.

Because the AWP is below 52.35 cents per pound, the base quality loan rate for both the 1992 and 1993 marketing years, the loan repayment rate during this period is equal to the AWP, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is below the 1993-crop loan rate, cash loan deficiency payments (LDPs) will be paid to eligible producers who agree to forgo obtaining a price support loan with respect to the 1993 crop. The payment rate is equal to the difference between the loan rate and the AWP. Producers are allowed to obtain an LDP on a bale-by-bale basis.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks and the AWP has not exceeded 130 percent of the 1993 crop year base quality loan rate in any week of the 4-week period. As a result, the user marketing certificate payment rate is 1.59 cents per pound. This rate is applicable during the Friday through Thursday period for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to Sept. 30, 1994. Relevant data are summarized below:

Week	For the Friday through Thursday Period Ending	USNE Price	NE Price cents/lb	User Marketing Certificate Payment Rate
1	Oct. 28, 1993	56.45	54.39	0.81
2	Nov. 4, 1993	56.15	54.40	0.50
3	Nov. 11, 1993	55.90	54.29	0.36
4	Nov. 18, 1993	57.90	55.06	1.59

Due to the Thanksgiving holiday, next week's AWP, CCA and user marketing certificate payment rate will be announced on Friday, Nov. 26, at 8 a.m.



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